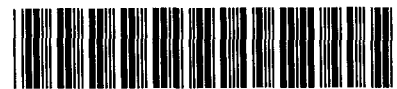


OPEN MEETING AGENDA ITEM



0000159035

BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

Arizona Corporation Commission

DOCKETED

DEC 23 2014

COMMISSIONERS

BOB STUMP- CHAIRMAN

GARY PIERCE

BRENDA BURNS

BOB BURNS

SUSAN BITTER-SMITH

2014 DEC 23 P 2:01

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF
DOUBLE DIAMOND UTILITIES, INC. FOR A
CERTIFICATE OF CONVENIENCE AND
NECESSITY TO PROVIDE WATER SERVICE
AND WASTEWATER SERVICE

Docket No. WS-20543A-07-0435

RESPONSE TO STAFF REPORT

ORIGINAL

Double Diamond Utilities, Inc. ("DDU") submits its reply to the Staff Response dated December 10, 2014. DDU appreciates Staff's recommendation to grant an extension to the filing dates for the following items:

- Copies of the water division's Approval to Construct ("ATC") for Phase I of the initial phase for the Ranch at White Hills project when received.
- Copies of the wastewater division's General Permits for Phase I of the initial phase of wastewater plant for the Ranch at White Hills project when received.
- A copy of the Aquifer Protection Permit ("APP") for the wastewater division.
- A performance bond or irrevocable sight draft letter of credit in the amount of \$300,000 (or until 30 days prior to serving its first customer, whichever comes first.)
- Filing notification that DDU retained a Certified Operator, and including the name and qualifications (or until six months prior to serving its first customer, whichever comes first.)

However, Staff has only recommended an extension for two years (until December 31, 2016). This extension is not practical given the nature of the compliance items. DDU believes that, given all of the factors indicated in its August 13, 2014 motion (including the uncertainty with the economy), a five-year extension remains appropriate. As stated in its Motion, DDU has

1 substantial investment in fixed assets necessary for utility service. Further, the outstanding
2 compliance items will take significant time to complete. For example, obtaining the APP will take
3 more than two years – presently DDU understands the process may take three years or longer.
4 Finally, Staff did not address DDU's rationale for seeking the five year extension.

5 Given DDU's commitment, and the commitment of others to developing the Ranch at
6 White Hills, DDU does not believe the requested five-year extension is arbitrary or unprecedented.
7 Thus, DDU maintains its request for approval of its original request for five-year extensions for
8 the outstanding compliance items, until December 31, 2019.

9 RESPECTFULLY SUBMITTED this 23^d day of December 2014.

10 ROSHKA DEWULF & PATTEN, PLC

11
12 By 

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18 Attorneys for Double Diamond Utilities, Inc.
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1 Original and 13 copies of the foregoing
2 filed this 23rd day of December, 2014, with:

3 Docket Control
4 Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

5 Copy of the foregoing hand-delivered/mailed
6 this 23rd day of December, 2014 to:

7 Sasha Paternoster
8 Administrative Law Judge
Hearing Division
9 Arizona Corporation Commission
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